# CHAPTER V.—DEPARTMENTS OF FOOD AND CIVIL SUPPLIES.

## (i) Food Supplies.

**531.** After the decontrol of foodgrains in July 1954, there was a fall in the prices of foodgrains. In view of the favourable seasonal conditions and timely rains, the crops of paddy, ragi and jola were good and it was anticipated that the prices of these crops might decline further. The Government of India, therefore, considered it necessary that the prices of rice and millets should not be allowed to decline further to uneconomic levels and in order to safeguard the interests of the producers, they sponsored a scheme of "Price Support" for paddy, rice and jola. Under this scheme, the Government of India agreed to purchase common, medium and coarse varieties of rice at Rs. 11 per maund at railheads, if the price of rice fell below Rs. 11 per maund, and jola at Rs. 5-8-0 per maund.

**532.** The Government of India had also agreed to extend the "price support" to jola and to purchase jola if the prices went below Rs. 5-8-0 per railway maund at the railhead centres only. With regard to ragi, the Government of India did not agree to extend the support to ragi though ragi is the important millet crop in the State. They suggested that the State Government might purchase ragi on their own account if they so desire adding that they would assist by advancing necessary funds for the purchase of ragi in case the State needed assistance.

**533.** The prices of paddy, rice, jola did not go below the prescribed floor prices and hence no rice or jola was purchased under this scheme.

**534.** There was an improvement over the previous years in regard to the production of ragi and jola and there was a slight fall in the production of paddy and minor millets.

**535.** Under the scheme of deliveries of stocks to the Government of India, a quantity of about 9,100 tons of rice was delivered to the Government of India during the year.

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**536.** Issues of rice to the Government servants on credit basis in accordance with the orders of Government were continued up to October 1955 and a total quantity of about 3,662 tons of rice was issued accordingly.

**537.** The ragi stocks were disposed of completely by calling for tenders, keeping the minimum price at Rs. 15 per palla. The stocks of broken rice, jola, wheat and wheat products were also disposed of by public auction. By the end of the year, there were practically no stocks of foodgrains except for negligible quantities of deteriorated foodgrains in the mofussil awaiting disposal by auction sale or destruction, etc.

**538.** The Foodgrains (Licensing and Procurement) Order, 1952, was repealed in Government Notification No. L.D. 1416 Legis. 4-55-102, dated 24th November 1956.

Rice Mills.

**539.** The Scheme of utilisation of the services of Rice Mill-owners was continued for the milling of paddy into either polished or dehusked rice as the case may be, for delivery to the Government of India. There was no change in the iluvaris fixed both for dehusked and polished rice. The statutory control over rice mills and the control over rice hullers were withdrawn during the year.

Sugar.

**540.** The sugar supply position continued to remain satisfactory during the year. The price ranged from Rs. 1-4-6 to Rs. 1-6-0 per viss, or Rs. 92 to Rs. 96 per bag of 2 cwts. during the year.

Jaggery.

**541.** There was no control over jaggery during the year and the supply position continued to be satisfactory.

General.

**542.** Trade through normal channels which was resumed during the previous year after a decade of control got stabilised to some extent during the year. While the basic object of control had been to make foodgrains available to the consumers in reasonable quantities at reasonable prices, there was a swing of the price pendulum in the reverse direction during the year and the Government had to step into the field again to safeguard the interests of the producer by guaranteeing him a reasonable minimum price for his produce.